ANNUAL REPORT
1990 – 91

The Manitoba Habitat Heritage Corporation

Manitoba

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Letter of Transmittal

March 11, 1992

Honourable Harry J. Enns
Minister of Natural Resources
314 Legislative Building
Winnipeg, Manitoba

Dear Mr. Enns:

I am pleased to provide you, for presentation to the Legislature, the fifth Annual Report of the Manitoba Habitat Heritage Corporation for April 1, 1990 to March 31, 1991.

In the past fiscal year the Corporation's role in building partnerships for the conservation, restoration and enhancement of Manitoba's fish and wildlife habitats increased significantly with its participation in the North American Waterfowl Management Plan in Manitoba. With this participation the Corporation was restructured, allowing it to coordinate the Plan's many components and assist with program delivery.

The North American Waterfowl Management Plan the most ambitious wildlife habitat conservation program on this continent, is producing important benefits for Manitoba citizens and their natural heritage. Objectives call for changes in land use practices on 500,000 acres of land in the rural landscape - changes that will not only improve habitat for wildlife, but conserve valuable soil and water resources as well. Funding is from private and public sources in both Canada and the United States.

The Manitoba Habitat Heritage Corporation also provided support for the Critical Wildlife Habitat Program, another conservation partnership initiative that is working to preserve, protect and enhance threatened and unique habitats. Fish habitat enhancement continued with projects funded by the Corporation.

The mission of the Manitoba Habitat Heritage Corporation, is to build upon these successes, seeking new conservation partnerships that will protect our rich natural heritage and improve the quality of life for the citizens of this province.

Yours truly,

E.A. (Ted) Poyser
Chairman
Manitoba Habitat Heritage Corporation

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I. Introduction

The Manitoba Habitat Heritage Corporation (MHHC) is a non-profit corporation established by the Manitoba Habitat Heritage Act in 1985 for the purpose of conservation, restoration and enhancement of Manitoba fish and wildlife habitats.

The MHHC was designated by the Minister of Natural Resources to become the authority responsible for coordination of the North American Waterfowl Management Plan (NAWMP) in Manitoba.

In 1990/91 the focus of the MHHC's activities took on a new dimension when it was designated by the Minister of Natural Resources to become the authority responsible for coordination of the North American Waterfowl Management Plan (NAWMP) in Manitoba. The Corporation also provided important support for the Critical Wildlife Habitat Program (CWHP). At the same time the MHHC supported seven fish habitat enhancement projects.

New appointments were made to the Corporation's Board of Directors by the Lieutenant Governor-in-Council in 1990/91, reflecting the MHHC's role in NAWMP coordination. The board, including representatives from most of the Canadian NAWMP funding partners, consists of:

E.A.(Ted) Poyser (Chairperson),
consulting agrologist and retired career civil servant with many years of experience directing agricultural and land use programs.

Don McMaster (Vice-Chairperson),
avid outdoorsman, landscape painter and active participant, through a number of organizations in Manitoba's conservation community.

Paul Murphy,
former Executive Director of the Manitoba Wildlife Federation and Editor of the Wildlife Crusader.

Richard C. Goulden,
Assistant Deputy Minister, Manitoba Department of Natural Resources.

Tom Pringle,
Assistant Deputy Minister, Manitoba Department of Agriculture.

Gerald McKeating,
Acting Director, Western and Northern Region, Canadian Wildlife Service, Environment Canada.

Rick Wisbart,
Provincial Manager, Ducks Unlimited Canada

David Neave,
Executive Director, Wildlife Habitat Canada

II. The Conservation Partnership Approach

The MHHC has worked from the beginning to build partnerships with government agencies and conservation organizations to facilitate worthy habitat initiatives.

Focusing on the link between diverse habitats and abundant fish and wildlife populations, the MHHC has worked from the beginning to build partnerships with government agencies and conservation organizations to facilitate worthy habitat initiatives. Support from the Corporation has often been matched with dollars technical services and volunteer labour from public and private agencies, local organizations, and individual landowners, ensuring the best possible gains for fish and wildlife resources and the citizens of Manitoba.

In 1990/91 the MHHC forged new partnerships in pursuit of the goals of the North American Waterfowl Management Plan (NAWMP). This 15-year, $1.5 billion, continent-wide effort was undertaken to restore declining waterfowl populations and sustain them at levels enjoyed in the 1970s through a wide array of habitat conservation programs. Because Manitoba is home to important waterfowl breeding habitats, major expenditures are forecast through the NAWMP.

The NAWMP is an international partnership, attracting funding support from public and private agencies in both Canada and the United States. Perhaps as important as its continent-wide perspective is the fact that the NAWMP partnership represents a broad range of conservation interests, from waterfowl and prairie wildlife, to agriculture. The breadth and depth of the NAWMP partnership is unprecedented in the history of wildlife habitat conservation programs.

The government of Manitoba has designated the MHHC as the coordinating body for the implementation of the NAWMP in Manitoba. Much effort went into restructuring the Corporation to respond to this massive challenge.

The Corporation's conservation partnership approach will continue to be the basis for its activities in the coming years.

The Critical Wildlife Habitat Program, administered by the Wildlife Branch of Manitoba Natural Resources, is another example of conservation partnerships in action. In 1989 the MHHC joined four other public and private agencies in the common cause of preserving important and threatened wildlife habitats.

Working under the CWHP umbrella, the Corporation was able to assist specific habitat projects that welcomed additional partners – especially local Conservation Districts and wildlife organizations – who provided valuable local support for important habitat conservation initiatives.

With the MHHC's assistance, three new fisheries enhancement projects were also completed in the same spirit of cooperative conservation.

Today there is broad interest in the environment, ensuring that the Corporation's conservation partnership approach, which has served it well since its inception, will continue to be the basis for its activities in the coming years.

III. The North American Waterfowl Management Plan (NAWMP)

North American Waterfowl Management Plan

■ *Background*

This 15-year, $1.5 billion cooperative agreement, signed by the governments of Canada and the United States, seeks to re-build continental waterfowl populations and sustain them at the levels of the 1970's. Since that period, a decade of prairie-wide drought has added to the primary cause of waterfowl population declines across North America – continuing habitat loss and degradation.

The NAWMP recognizes the importance of the Canadian prairies, where more than 50% of all North American waterfowl are raised.

The NAWMP recognizes the importance of the Canadian prairies, where more than 50% of all North American waterfowl are raised. Two thirds of all projected NAWMP expenditures – approximately $1.0 billion – are to be spent in the Prairie Habitat Joint Venture (PHJV), which encompasses vital prairie and aspen parkland waterfowl habitat regions in Manitoba, Saskatchewan and Alberta (Figure 1).

Approximately 75% of NAWMP funds spent in Canada are to come from U.S. public and private sources and the remaining 25% from Canadian public and private sources. The target NAWMP program expenditure in Manitoba over the life of the Plan is $134 million. The contribution of the Government of Manitoba is projected to be $13.4 million, or 10% of the total.

A key to the NAWMP is the support of Canadian public and private funding bodies. Many of the signatories to the PHJV are also the primary NAWMP partners in Manitoba. The Manitoba NAWMP partners include:

- Agriculture Canada (Prairie Farm Rehabilitation Administration)
- Ducks Unlimited Canada
- Environment Canada (Canadian Wildlife Service)
- Manitoba Agriculture
- Manitoba Natural Resources
- The North American Wildlife Foundation
- Wildlife Habitat Canada

The NAWMP was devised to influence the entire prairie landscape, not just wetlands. The NAWMP approach will not only improve wildlife habitat, but conserve soil and water resources as well.

It has been said that prairie waterfowl are a public resource produced at private expense. Approximately 80% of Manitoba's ducks are produced on private lands in southwestern Manitoba. With few financial benefits accruing from wildlife habitat, it is not surprising that gains in agricultural output have come at the expense of valuable habitat for prairie wildlife, including waterfowl.

Wetland losses that have occurred throughout the prairies do not tell the whole story. To stand a reasonable chance of escaping detection from predators, most ducks, including mallard, pintail, teal, wigeon, gadwall, shoveler, and scaup, require undisturbed upland vegetative cover during the nesting period, a scarce resource on the intensively-farmed prairies. Estimates place the success rate for nesting waterfowl below 10% in today's prairie landscape, far short of what is needed to sustain waterfowl populations.

With that information in hand, the NAWMP was devised to influence the entire prairie landscape, not just wetlands. In addition to maintaining the current wetland base, Manitoba's Implementation Plan calls for changes in land use on 499,000 acres of land in the NAWMP Target Area (Figure 1 and Table 1).

The NAWMP approach is based on offering landowners financial incentives to take part in conservation programs that will not only improve wildlife habitat, but conserve soil and water resources as well. It reflects the need for farming and wildlife interests to share a vision of environmentally and economically sustainable land use in agro-Manitoba. From the Plan's perspective, both agriculture and wildlife will benefit.

NAWMP land programs in southwestern Manitoba have three thrusts, including:

- Lease and Acquisition. High quality waterfowl habitat complexes are to be developed on private land (goal: 27,000 acres)
- Modified Agricultural Use. Incentives will be offered to encourage farming practices – such as forage establishment with delayed haying and rotational grazing – that are compatible with waterfowl production (goal: 101,000 acres)
- Demonstration Projects. Demonstrations of conservation farming techniques – including zero-tillage and reduced tillage cropping systems – that offer soil and water conservation benefits as well as improved habitat for prairie wildlife. (goal: 371,000 acres).

Figure 1 *NAWMP Target Area in Manitoba*

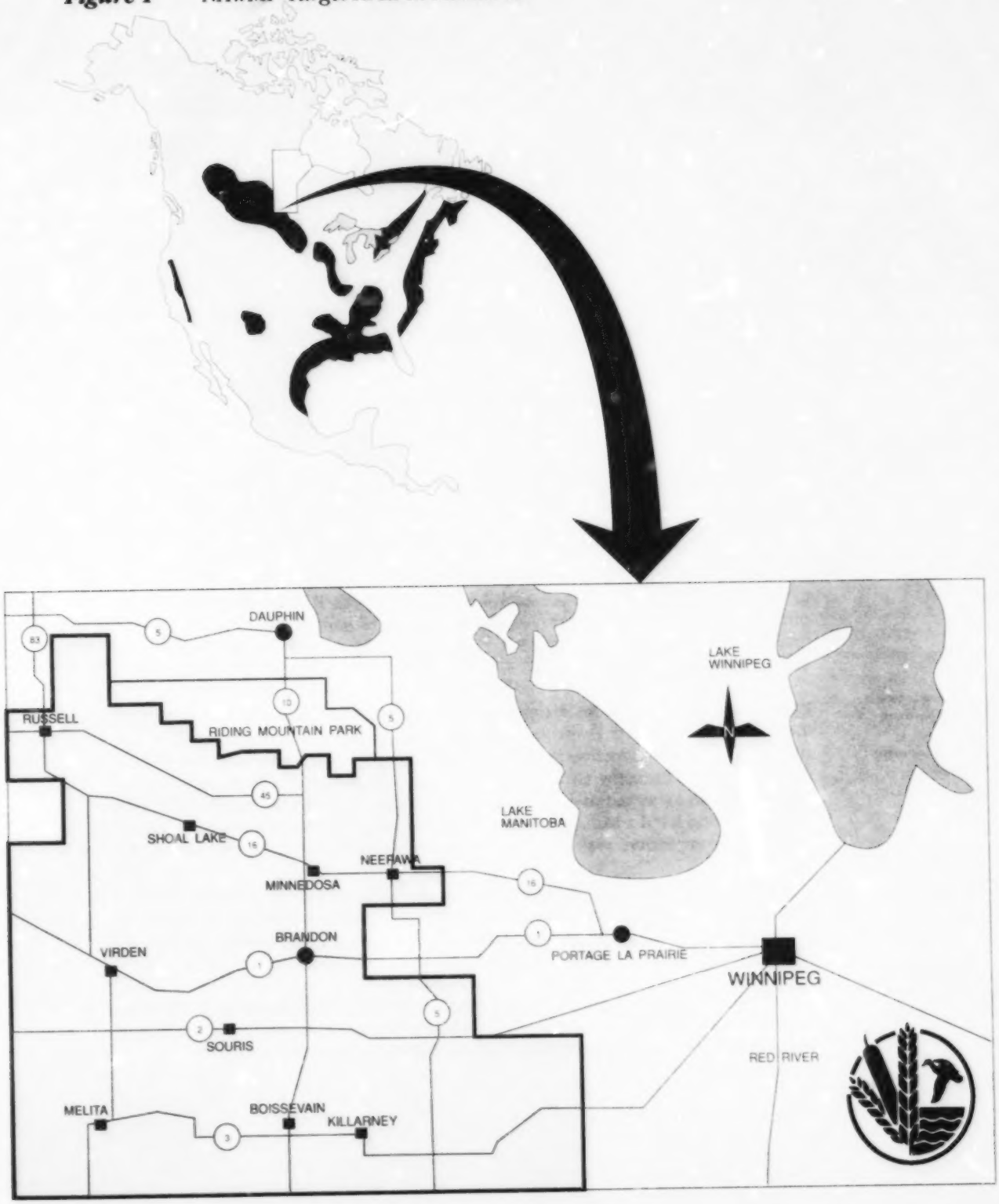

Table 1 *Acerage objective of NAWMP land programs in Manitoba*

Category	*Objective*
Lease and Acquisition	27,000 acres
Modified Agricultural Use	101,000 acres
Conservation Farming Demonstration Projects	371,000 acres
Total	**499,000 acres**

■ *NAWMP: The Role of MHHC*

The MHHC has taken on the role of coordinating NAWMP implementation in Manitoba, field delivery of specific NAWMP program components and coordination of NAWMP communications.

Encompassing a broad spectrum of partners, the NAWMP has spawned a wide array of programs. Its coordination must not only reflect NAWMP goals and the objectives of the partners, but the need to minimize overlap and duplication between its program components.

A number of committees, with representation from the NAWMP partnership and reporting to the MHHC Board, have been established to assist NAWMP coordination, including program development, preparation and maintenance of multi-year and annual work plans, financial monitoring, technical reviews of programs, and coordination of program implementation.

Encompassing a broad spectrum of partners, the NAWMP has spawned a wide array of programs.

Facilitating these efforts is the secretariat to the MHHC, which at one time resided within the Wildlife and Fisheries Branches of Manitoba Natural Resources. It has been strengthened by the secondment of Wildlife Branch staff to the MHHC. A total of four positions – Chief Executive Officer, Field Manager, Administrative Officer and Wetland Habitat Specialist – were provided in this manner from the Wetlands Section. In addition, the Corporation hired a Manager of Financial Services and an Administrative Secretary. At year-end, a competition was being conducted for the position of Communications Manager.

The MHHC hired one Field Representative for each of four NAWMP field offices to undertake land acquisition associated with NAWMP programs as well as NAWMP communications and extension responsibilities. The Field Representatives report to the Corporation's Field Manager, located in the Brandon NAWMP office.

The MHHC has assumed responsibility for communication of the NAWMP in Manitoba, especially the Plan in its broader aspects, ensuring that the conservation partnership is understood by NAWMP target groups and the citizens of Manitoba.

■ *NAWMP Programs*

To achieve the objectives of the NAWMP a number of distinctive programs are required. As illustrated in Figure 2, NAWMP programs can be broadly classified into:

- land management
- communications
- waterfowl crop damage prevention and compensation
- evaluation
- coordination.

The NAWMP is focusing on the private agricultural lands of southwestern Manitoba.

Land Management Programs

■ *NAWMP Field Offices*

Because the NAWMP is focusing on the private agricultural lands of southwestern Manitoba, effective field delivery demanded that field offices and field delivery staff be close to the landowner.

With start-up and ongoing support from the MHHC, four NAWMP field offices were established in 1990/91 in Killarney, Minnedosa, Shoal Lake and Virden. Each office houses four or five permanent staff of Ducks Unlimited Canada, including an Area Manager, an Agricultural Technician, a Resource Technician and a Project Operator, as well as one Field Representative from the MHHC.

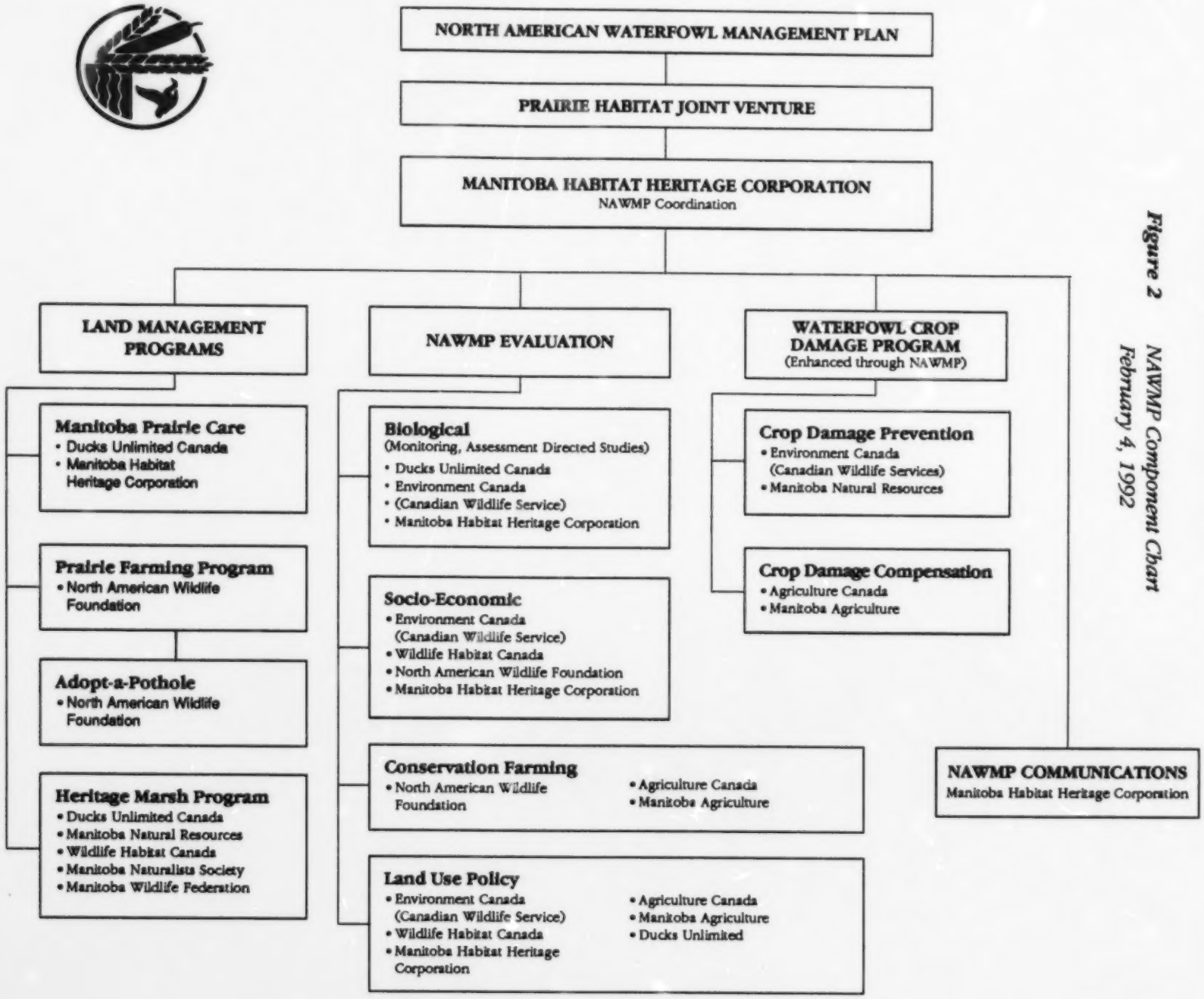

Figure 2 NAWMP Component Chart February 4, 1992

■ *Manitoba Prairie CARE*

The largest private lands initiative under the NAWMP in Manitoba, planned for joint delivery by Ducks Unlimited Canada and the MHHC, offers the landowner a broad menu of "farmer-friendly" habitat conservation techniques. In less than one full year of operation, Manitoba Prairie CARE's array of securement, development and conservation farming demonstration programs has improved habitat on a total of 22,139 acres of land (Table 2).

Manitoba Prairie CARE offers the landowner a broad menu of "farmer-friendly" habitat conservation techniques.

Manitoba Prairie CARE (standing for Conservation of Agriculture, Resources and Environment) habitat securement and development programs offer landowners incentives, under long-term lease or management agreements, to develop nesting cover on cultivated land, to preserve idle uplands for nesting cover and to undertake farming practices – such as the establishment and delayed cutting of forage stands and rotational grazing systems – that will significantly improve waterfowl nesting success. Strategic habitats have also been purchased and will be managed, in perpetuity, for prairie wildlife. These Manitoba Prairie CARE activities effected 12,694 acres of habitat for waterfowl and other prairie wildlife.

Through Manitoba Prairie CARE and grassroots conservation organizations established by the Farming for Tomorrow program, the NAWMP is also supporting on-farm demonstration and promotion of wildlife-friendly conservation farming techniques such as direct seeding, the use of wide blade cultivators and reduced tillage fallow systems, all of which leave residual crop stubble relatively undisturbed through the nesting period. Changes of this nature, effected over large areas, can make a tremendous difference in available nesting cover for waterfowl and other prairie wildlife throughout agro-Manitoba. Conservation farming demonstrations accounted for 9,445 acres of the habitat improvement total achieved by Manitoba Prairie CARE on behalf of the NAWMP.

Table 2 *Acres secured and Agricultural demonstrations 1990–91 fiscal year — NAWMP – related programs*

	Heritage Marsh Program	***Prairie CARE[1]***	***HELP***	***Prairie Farming Program[2]***
Acres Secured	2,788	12,694	2,670	—
Agricultural Demonstration	—	9,445	—	1,567
Total All Programs	2,788	22,139	2,670	1,567
				29,164

[1] Prairie CARE segment is reported from January 1, 1990 to March 31, 1991.

[2] Adopt-a-Pothole was not underway until 1991–92 fiscal year.

■ *Habitat Enhancement Land use Program (HELP)*

Duck nest success in HELP program areas has hovered in the 30% range, considerably higher than nesting success reported across the prairies and parklands.

In its fifth year, the HELP program, with a wide array of farmer-friendly habitat initiatives, achieved its overall acreage objectives. An additional 2,670 acres of habitat secured in 1990/91 (Table 2) brought the HELP total to 81 lease agreements, constituting 9,300 acres in the program target area, the Rural Municipality of Shoal Lake.

Supported by Wildlife Habitat Canada (50%), Manitoba Natural Resources (25%), and Ducks Unlimited Canada (25%), this eight year program was established to devise, deliver and evaluate innovative habitat securement and enhancement initiatives in the intensively-farmed prairie pothole landscape. It became an important precursor to the implementation of the North American Waterfowl Management Plan (NAWMP). The Rural Municipality of Shoal Lake was chosen to be the test area for this new mix of habitat programs because it was seen to offer a cross section of prairie wetland and upland habitats as well as farm operations ranging from mixed farming to straight grain production.

Lease agreements and management programs of five to seven years duration focused on idle upland cover, native forage stands, dense nesting cover establishment on cultivated land and tame forage establishment with delay-cut harvest incentives. As well, two rotational grazing systems were successfully established through HELP. One peninsula was isolated with a predator-proof fence and a waterfowl nest basket program was established.

One land parcel of 640 acres, purchased with the support of Environment Canada (Canadian Wildlife Service) in 1989, saw some cultivated portions planted with native grass species, a process that will continue into 1991/92.

An ongoing evaluation program concentrated on waterfowl production from HELP lease and management sites. Duck nest success in HELP program areas has hovered in the 30% range, considerably higher than nesting success reported across the prairies and parklands.

The unqualified success and landowner acceptance of HELP is but one more demonstration that sound land use programs require field delivery to be locally-based with input and interaction from the local community.

■ *Prairie Farming Program*

Centred in the Minnedosa pothole region, this North American Wildlife Foundation initiative strives to evaluate and promote agricultural practices that enhance soil conservation and waterfowl production, an important long-term objective of the NAWMP.

The Prairie Farming Program has been evaluating the economic and biological benefits of zero tillage operations. Eight farm operations in the Minnedosa area participated in this study, the first to gather zero-tillage economic data from operations. The interest in zero-tillage arises from the fact that it is considered to be more "friendly" to waterfowl nesting than conventional tillage operations. This study's first year of results offers encouraging economic prospects; zero tillage was more profitable than conventional farming practices. The Prairie Farming Program was applied on a total of 1,567 acres of evaluation and demonstration sites.

The Adopt-A-Pothole Program, devised and funded by the North American Wildlife Foundation as a sub-component of the Prairie Farming Program, will be offering farmers compensation for small waterfowl habitat complexes that are threatened with drainage and other agricultural developments. One unique feature of this program is that North American Wildlife Foundation donors are directly matched with project areas; $100 of contribution allows a donor to "adopt" a one acre wetland and three acres of waterfowl nesting cover.

The Prairie Farming Program has been evaluating the economic and biological benefits of zero tillage operations.

For every acre of wetland secured from cooperating landowners, Adopt-A-Pothole leases three acres of upland nesting habitat. Payments are only made on the upland acreage, not wetlands. Five year agreements commit North American Wildlife Foundation to establish nesting cover on leased cultivated acreage, and the landowner to leave the area unfarmed. Program delivery was scheduled to begin shortly after 1990/91 year-end in the Minnedosa area.

■ *Heritage Marsh Program*

This partnership agreement, signed by Ducks Unlimited Canada, Manitoba Natural Resources, Wildlife Habitat Canada, the Manitoba Wildlife Federation and the Manitoba Naturalists Society, was established to identify, conserve and develop significant areas of wetland habitat for the benefit of all Manitobans. Originated before the signing of the NAWMP, it has become a part of the NAWMP planning and delivery process.

Major works were initiated at two Heritage Marshes – Whitewater Lake and Lynch Point – with NAWMP funds, resulting in the securement of 2,788 acres of wetland habitat in the 1990/91 budget year (Table 2).

At Whitewater Lake near Boissevain, land securement was completed and Ducks Unlimited began construction of a water control system that will enhance the east side of the basin. The total project area is 3,689 acres, including upland nesting cover, backflood irrigation, and marsh development components. Lands under agreement include 1,306 acres of Crown land and 1,128 acres of private land. A total of 1,255 acres of private land were acquired to allow the project to proceed.

Major works were initiated at two Heritage Marshes – Whitewater Lake and Lynch Point – with NAWMP funds.

Ducks Unlimited also began construction on the Lynch Point project on the west side of Delta Marsh and proceeded with dyke construction on one of two planned water control cells. Development included 620 acres of marsh and 315 acres of upland nesting cover. An agreement on 155 acres of Crown land and the acquisition of 780 acres of private land was required for this project.

At the east end of Delta Marsh, planning continues on the Lake Francis proposed development and the province has supported these efforts by establishing Crown land in the project area as a Wildlife Management Area and refurbishing a channel connection with Lake Manitoba.

Several major marsh projects are in various planning stages in the Heritage Marsh Program, including Grant's Lake, Big Grass Marsh, the Turtle River Marshes and the Rat River Marshes.

■ *NAWMP Communications*

Corporation staff spent a great deal time and effort making presentations to elected councils iwithin the NAWMP target area.

With the lead role in NAWMP communications, the MHHC organized news conferences, held on August 9, 1990 in both Minnedosa and Winnipeg, at which the Minister of Natural Resources announced the implementation of the NAWMP in Manitoba. Coverage by electronic and print media outlets was thorough, both in Winnipeg and rural Manitoba.

A follow-up NAWMP field tour for the Farm Writers and Broadcasters Association of Manitoba played an important role in getting NAWMP programs understood by the rural and agricultural media.

Corporation staff spent a great deal time and effort making presentations to elected councils in priority rural municipalities within the NAWMP target area. As time permits, all 48 NAWMP target RMs will be reached in this manner.

The NAWMP message was also carried to thousands of rural visitors at the Brandon Winter Fair with a NAWMP display organized and staffed by the MHHC.

Meetings with the executives of the Keystone Agricultural Producers and the Union of Manitoba Municipalities were organized by staff and board members of the MHHC. Corporation staff also explained NAWMP programs and objectives to the Farmlands Protection Board and the Interdepartmental Planning Board (IPB), a Committee of Deputy Ministers of the Government of Manitoba.

The MHHC provided a steady stream of material for Waterfowl 2000, the international NAWMP newsletter published in Washington that keeps NAWMP planners, decision-makers and delivery staff updated on NAWMP achievements.

Senior Corporation staff developed the first draft of a communications strategy for the NAWMP and, at year end, were in the final stages of hiring a Communications Manager, whose main role will be to spearhead the NAWMP communications effort.

Federal-provincial cost-shared programs for waterfowl crop damage prevention and compensation have been enhanced.

■ *Waterfowl Crop Damage Prevention and Compensation Programs:*

Largely due to initiation of the North American Waterfowl Management Plan, federal-provincial cost-shared programs for waterfowl crop damage prevention and compensation have been enhanced. Additional funding made available under the crop damage prevention program provides for procurement of additional scaring devices, the capability for establishment of additional feeding stations and the capability to acquire new lure crop sites. The enhanced waterfowl crop damage compensation program increases compensation payments for damaged crops from approximately a 50% level to an 80% level of coverage.

Coordinated through the Manitoba Wildlife Branch, in conjunction with the Manitoba Habitat Heritage Corporation, the enhanced crop damage prevention program is being expanded as NAWMP waterfowl habitat securement programs are being delivered to landowners.

■ *NAWMP Evaluation*

The NAWMP envisions broad-scale changes in the landscape of the prairies that will provide greater benefits for wildlife and the rural environment than the more traditional and intensive approaches to wildlife and habitat management. The evaluation program must not only test the effectiveness of various NAWMP land programs, but also the Plan's success in achieving its fundamental objectives. Many NAWMP evaluation programs are being coordinated at the Prairie Habitat Joint Venture level because the results have prairie-wide application.

- Monitoring Program: Existing waterfowl and habitat survey programs have been enhanced to improve measurement of the NAWMP's progress in achieving its waterfowl population and habitat acreage goals. Environment Canada (Canadian Wildlife Service) is taking the lead role with some assistance from Manitoba Natural Resources.
- Assessment Program: This program is evaluating the effectiveness of NAWMP land treatment programs in improving waterfowl production.
- Directed Studies: These studies will be narrowly focused, designed to answer specific biological questions to make NAWMP implementation more effective.
- Land-use Policy Assessment: A host of regulations, incentives and policies influence land use across the prairies. This evaluation component will attempt to identify and recommend programs and policy changes that will conserve soil, water, and wildlife.
- Socio-economic Monitoring: The MHHC will take the lead role in Manitoba to launch studies that will assess community attitudes and the economic impact of the NAWMP in the target area. This evaluation component will be an important measure of the NAWMP's success in achieving its ultimate objective – the acceptance of economically and environmentally sustainable land use practices in agro-Manitoba.

■ *NAWMP Coordination:*

In coordinating the NAWMP the MHHC must 'look both ways', not only to ensure smooth operation of the program components in the Province, but also to maintain essential linkages and the smooth flow of information from Manitoba to the Joint Venture, national and international bodies controlling the Plan.

The Corporation participates in the planning and coordination activities of the Prairie Habitat Joint Venture and is assisting, wherever possible, the flow of information and reinforcement of key NAWMP messages to decision-makers in both Canada and the U.S.

IV. The Critical Wildlife Habitat Program (CWHP)

Critical
Wildlife Habitat Program

The MHHC is one of five partners in the Critical Wildlife Habitat Program (CWHP), a conservation partnership program being implemented by the Wildlife Branch of Manitoba Natural Resources.

Established in 1989 to address the loss of biologically unique and threatened habitats in agro-Manitoba, the CWHP is dedicated to conserving Manitoba's wildlife heritage for future generations. The Program deals with wildlife habitat issues on a holistic basis, working in the agricultural landscape to find an accommodation between the needs of rural communities and the needs of natural systems. The CWHP complements the waterfowl habitat conservation efforts of the North American Waterfowl Management Plan by focusing on upland habitat and wildlife.

The objectives of the CWHP are:

CWHP addresses the loss of biologically unique and threatened habitats in agro-Manitoba

1. To promote wise stewardship of wildlife habitat by offering landowners incentives – financial and non-financial – to maintain wildlife habitat.
2. To maintain, protect, and enhance key wildlife habitats on Crown and private land by acquisition, and by promoting and funding management projects designed to enhance wildlife values on these sites.
3. To devise projects that will mitigate the loss of critical wildlife habitats.
4. To work cooperatively with other agencies and the public, promoting an integrated approach in planning and managing wildlife resources.
5. To support education programs that promote public awareness and concern for issues affecting wildlife; generate public support for wildlife enhancement programs.
6. To encourage landowners to develop an ethic that views land not only as property to be managed for personal gain, but as an asset to be shared with the community, meeting the needs of people and wildlife without endangering its environmental sustainability.

This five year, cost-sharing program involves land acquisition, habitat conservation (leasing) agreements, resource inventories, habitat enhancement projects, and an extension program.

The program is administered by the CWHP Steering Committee, Chaired by a Manitoba Natural Resources (Wildlife Branch) representative.

The participating conservation agencies in the CWHP partnership include:

- Wildlife Habitat Canada
- Manitoba Natural Resources
- The Manitoba Habitat Heritage Corporation
- World Wildlife Fund
- Manitoba Naturalists Society

An agreement outlining the program's scope and operating procedures was developed and approved by these participating agencies. CWHP partners may direct their funds to a specific CWHP component. The program is administered by the CWHP Steering Committee, consisting of representatives from each partner, and is chaired by a Manitoba Natural Resources (Wildlife Branch) representative. The Corporation is represented by one Board member, Mr. Paul Murphy. The Provincial Wildlife Branch is responsible for program implementation.

The MHHC has been a CWHP partner since its inception. In 1990/91, Year II of the CWHP, the Corporation's contribution to the $457,000 CWHP budget was $100,000. Contributions from the other CWHP partners included $180,000 from Wildlife Habitat Canada, $147,000 from Manitoba Natural Resources (including program implementation services), $20,000 from World Wildlife Fund, and $10,000 from Manitoba Naturalists Society. This represented a significant increase from the Year I CWHP budget of $220,000 and was due to contribution increases from Wildlife Habitat Canada and the MHHC.

The MHHC contribution included approximately $70,000 for land acquisition. The additional $30,000 of MHHC expenditures was made up of: payment of property taxes on lands held by the Corporation on behalf of the CWHP; upland and non-game habitat lease payments on lands leased by the MHHC prior to the CWHP; habitat enhancement projects on acquired and Crown lands; accounting and other administrative expenses incurred by the Corporation on behalf of the CWHP.

■ *Land Securement*

Habitat types that were secured by lease or acquisition included tall-grass prairie, critical wintering habitat for white-tailed deer, and burrowing owl and ferruginous hawk habitat areas.

■ *Habitat Protection Agreements*

Habitat types secured included tall-grass prairie, critical wintering habitat for white-tailed deer, and burrowing owl and ferruginous hawk habitat areas.

In 1990/91 a total of 6,152 acres of habitat were leased through 32, five-year Habitat Protection Agreements with landowners. Payments for leased habitat acreage were made through all 32 agreements, but five of those agreements also included habitat lands protected without payment. A total of 1,716 acres of habitat were protected voluntarily, while payments were made on the remaining 4,436 acres.

■ *Land Acquisition*

The MHHC contributed acquisition dollars to three sites with a combined area of 865 acres. Cost-shared agreements with the MHHC and non-CWHP partners allowed for the acquisition of another 394 acres of habitat, bringing the total habitat acquisition acreage assisted by MHHC funds to 1,259 acres.

The MHHC supported the purchase of the following CWHP lands in 1990/91:

- Pedrick Property (section 30–18–25W, southwestern Manitoba)
- Tolstoi Tall-Grass Prairie Preserve (N½ of NW 33–1–6E and NE 30–1–6E, southeastern Manitoba)

The Pedrick Property, a 622 acre parcel, was purchased on the recommendation of the Snake Creek Sportsman's Association. Located on the edge of the Birdtail Creek valley, it encompasses 214 acres of arable land and 408 acres of tree cover. This purchase was made with funds from the MHHC and Manitoba Natural Resources.

Two sites – 83 acres and 160 acres – were purchased for inclusion in the proposed Tall-Grass Prairie Preserve near the town of Tolstoi. Among the many values, the rare, small white lady slipper has been confirmed in one location. The MHHC, World Wildlife Fund, and Manitoba Naturalists Society were the partners supporting this purchase.

In addition, the MHHC supported three land purchases totalling 394 acres by two Conservation Districts in western Manitoba.

The three sites are:

- MacGregor, 160 acres (NE 1–11–11W – Whitemud Watershed)
- Big Valley, 74 acres (SW 17–17–15W – Whitemud Watershed)
- Crawford Creek, 160 acres (SW 24–23–18W – Turtle River Watershed)

As well as their habitat values – especially for white-tailed deer and, at the latter two locations, moose and elk – these forested sites offer important soil and water conservation benefits to their respective watersheds. Land titles are held by the Conservation Districts, but they carry a caveat that gives the MHHC the first right to purchase these lands if they are put up for sale, and repayment of the Corporation's contribution if the lands are sold.

■ *Land Management*

Prior to the establishment of the CWHP in 1989, the MHHC's habitat leasing program amassed 38 leases totalling 5,291 acres. That inventory includes critical white-tailed deer habitat and burrowing owl nesting areas.

Since 1986 15,648 acres of land at 89 sites have been leased or acquired either directly or with the support of the MHHC.

Before the CWHP the MHHC's habitat land acquisition program also accumulated 8 sites, totalling 2,144 acres. Eight sites acquired under the CWHP are also held in title by the MHHC, bringing the Corporation's inventory of acquired lands to 16 sites, encompassing 3,803 acres.

Under agreement with the Corporation, the Wildlife Branch manages the MHHC's leased and acquired lands, including all CWHP leases and acquisitions. The MHHC makes the annual payments on its upland habitat lease sites and pays taxes on all lands for which it holds title.

Since 1986 15,648 acres of land at 89 sites have been leased or acquired either directly or with the support of the MHHC (Table 3).

Table 3 *Leases and Acquisitions through the MHHC*

Category	*# Agreements/ Acquisitions*	*Acreage*
Leases, 1990/91[1]	32	6,152
Leases, pre-1990/91[2]	38	5,291
Acquisitions, 1990/91[3]	6	1,259
Acquisitions, pre-1990/91[4]	13	2,946
Total	**89**	**15,648**

[1] Entirely under the CWHP.

[2] MHHC leases that were active, as of April 1, 1990. (One lease, subsequently purchased in 1989/90, is not included in this total.)

[3] Through the CWHP. Includes 3 cost-shared purchases, totalling 394 acres, with Conservation Districts, to which they hold title.

[4] Includes 8 MHHC purchases made prior to the CWHP and 5 purchases made through the CWHP in 1989/90.

V. Fish Habitat Project Summary

The Corporation became a partner in three new fisheries enhancement projects and continued with its support of four other projects.

In 1990/91, close to $27,000 was spent by the MHHC supporting seven fish habitat initiatives. The Corporation became a partner in three new fisheries enhancement projects and continued with its support of four other projects that had been approved and funded the previous year.

The three new fisheries projects were:

- Crawford and Stewart Lakes (south of Riding Mountain National Park)
- Pinawa Channel (Lac du Bonnet area)
- Stream Rehabilitation Manual

At Crawford and Stewart Lakes, productive walleye sport fisheries must be maintained by Manitoba's Fish Stocking Program. Artificial shoals, with desirable walleye spawning habitat characteristics, were established with the MHHC's support to encourage self-supporting walleye populations.

At Pinawa Channel, critical walleye spawning habitat for the important Lac du Bonnet sport fishery has been developed with the MHHC's support of the efforts of the Lac du Bonnet Wildlife Association. The enhancement work was completed in the channel area downstream of the old Pinawa Dam.

A stream rehabilitation manual, written by stream hydrologist, Dr. Robert Newbury, will provide vital information on methods used to analyze stream habitats and to undertake rehabilitation and enhancement procedures. Stream stabilization and natural river engineering efforts will benefit from this reference work, supported by the MHHC.

The project sites for which funding from the MHHC carried into 1990/91 are:

- Shoal Lake aeration project (southwestern Manitoba)
- Oak Lake aeration project (southwestern Manitoba)
- Elgin Reservoir project (southwestern Manitoba)
- Hamilton Creek project (eastern Manitoba)

Office of
the Provincial Auditor

905 - 386 Broadway
Winnipeg, Manitoba, CANADA
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AUDITOR'S REPORT

To The Legislative Assembly of Manitoba

We have audited the balance sheet of The Manitoba Habitat Heritage Corporation as at March 31, 1991 and the statements of revenue, expenditure and funds available for future operations for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations for the year then ended in accordance with the accounting policies stated in note 2 to the financial statements.

Winnipeg, Manitoba
September 6, 1991

F. H. Jackson, CA
Provincial Auditor

Responsibility for Financial Reporting

The accompanying financial statements, and other financial information in the annual report, are the responsibility of management and have been approved by the Board. The accompanying financial statements were prepared by management in accordance with the accounting principles set out in Note 2 to the financial statements.

Any financial information contained elsewhere in the annual report conforms to these financial statements.

As management is responsible for the integrity of the financial statements, management has established systems of internal control to provide reasonable assurance that assets are properly accounted for and safeguarded from loss.

The responsibility of the Provincial Auditor and his staff is to express an independent opinion on whether the financial statements are fairly presented in accordance with the accounting policies stated in the financial statements. The auditor's report outlines the scope of the auditor's examination and provides the audit opinion.

Chairman of the Board

Chief Executive Officer

Manager, Financial Services

The Manitoba Habitat Heritage Corporation

Balance Sheet as at March 31, 1991

(With 1990 figures for comparison)

Assets	*1991*	*1990*
Current:		
Cash	$393,873	$ 57,768
Accounts receivable	115,188	27,738
	509,061	85,506
Deferred charges	85,823	—
Fixed assets (Note 4)	485,062	337,104
	$1,079,946	$422,610

Liabilities and Fund Balances		
Accounts payable and accrued liabilities	$247,182	$ 26,108
Deferred revenue	85,823	—
Investment in fixed assets (Note 5)	485,062	337,104
Funds available for future operations		
— North American Waterfowl Management Plan	251,081	—
— Critical Wildlife Habitat Program	10,798	59,398
	$1,079,946	$422,610

The Manitoba Habitat Heritage Corporation North American Waterfowl Management Plan

Statement of Revenue, Expenditures and Funds Available for Future Operations for the year ended March 31, 1991

	1991
Revenue:	
Grant from the Government of the Province of Manitoba	$360,000
Grant from Environment Canada, Canadian Wildlife Service	200,000
Interest	4,034
Total revenue	564,034
Expenditures:	
Habitat activities:	
Agricultural demonstrations	17,146
Land securement	114,013
Land development	86,400
Land management	5,122
General and administrative:	
Salaries and benefits	3,366
Board expenses	15,306
Computer operations	6,378
Professional fees	30,298
Contract services	15,236
Rent	1,837
Furniture and fixtures	6,097
Other	11,754
Total expenditures	312,953
Revenue over expenditures	251,081
Funds available at beginning of year	—
Funds available at end of year	$251,081

The accompanying notes are an integral part of these financial statements.

The Manitoba Habitat Heritage Corporation Critical Wildlife Habitat Program

Statement of Revenue, Expenditures and Funds Available for Future Operations for the year ended March 31, 1991 (with 1990 figures for comparison)

	1991	*1990*
Revenue:		
Grant from the Government of the Province of Manitoba	$100,000	$200,000
Project cost recoveries	30,267	55,674
Contributions and donations	51,700	1,400
Land lease	3,244	2,824
Interest	1,195	6,543
Miscellaneous	542	—
	186,948	266,441
Expenditures:		
Project-related costs:		
Enhancements	20,470	78,255
Acquisitions	139,507	66,683
Easements	44,502	17,018
Research studies	—	8,000
Public information	10,617	22,797
Property taxes	3,306	2,082
Appraisal fees	637	1,225
Seminar costs	—	5,328
Grants:		
Turtle River Watershed Conservation District	7,500	5,000
Whitemud Watershed Conservation District	2,500	—
Lac du Bonnet Senior School	1,281	—
General and administrative:		
Professional fees	3,550	5,550
Stationery supplies	1,584	—
Board expenses	58	4,433
Bank charges	36	88
	235,548	216,459
Revenue over (under) expenditures	(48,600)	49,982
Funds available at beginning of year	59,398	9,416
Funds available at end of year	$ 10,798	$ 59,398

The accompanying notes are an integral part of the financial statements.

The Manitoba Habitat Heritage Corporation

Notes to the Financial Statements — March 31, 1991

1. Nature of Organization

The Manitoba Habitat Heritage Corporation (MHHC) was established in February, 1986 as a Crown Corporation under The Manitoba Habitat Heritage Act. The objectives of the Corporation are the conservation, restoration and enhancement of Manitoba fish and wildlife habitat and the fish and wildlife populations. Donations to the Corporation are tax deductible by the donor pursuant to paragraph 110(1)(b) of the Income Tax Act, as gifts to Her Majesty. The program of MHHC is divided into two distinct initiatives, the Critical Wildlife Habitat Program (CWHP) and the North American Waterfowl Management Plan (NAWMP).

2. Significant Accounting Policies

These financial statements have been prepared in accordance with generally accepted accounting principles for non-profit organizations:

a) Fixed assets, with the exception of donated land, are valued at cost and are charged to operating expenditures in the year of acquisition. Donated land is valued at the appraisal value at the acquisition date. Fixed assets are capitalized with a corresponding amount being reflected in investment in fixed assets.

b) Depreciation is recorded on a straight-line basis over the estimated useful life of the asset at the rates indicated. The fixed asset account is reduced by the annual depreciation with a corresponding reduction in the investment in fixed asset account. Depreciation commences in the month following acquisition of the asset. Depreciation has no impact on operations.

Computer hardware	– 20%
Computer software	– 33%
Equipment	– 10%
Furniture & fixtures	– 10%

c) Professional and administrative support is provided by Fisheries and Wildlife Branches staff of the Department of Natural Resources at no cost to the Corporation. This support is estimated to be approximately $169,700 (1990 – $85,000). These costs are not reflected in these financial statements.

d) Amortization of deferred charges/deferred revenues:

Five year term critical wildlife agreements subject to a one-time initial payment are amortized over the term of the agreements. The unamortized portion of the payment is reflected as deferred charges The corresponding portion of the project cost recoveries covering the agreements is also amortized over the term of the agreements. The unamortized portion of the revenue is reflected as deferred revenue.

3. Change in Accounting Policy

The Corporation changed its accounting policy to provide depreciation on its fixed assets as described in Note 2b. The change was made retroactive to the original acquisition dates and resulted in a reduction of $6,679 in fixed assets and a corresponding reduction in investment in fixed assets as reflected in Note 5.

4. Fixed Assets

Asset	*Acquisition Value*	*Accum. Depreciation*	*Net Book Value 1990/91*	*1989/90*
Land donated (1988)	$ 13,000	—	$ 13,000	$ 13,000
Land purchased	434,621	—	434,621	295,114
Computer hardware	10,533	$ 2,043	8,490	3,441
Computer software	415	—	415	—
Equipment	31,099	8,660	22,439	25,549
Furniture & fixtures	6,097	—	6,097	—
	$495,765	$10,703	$485,062	$337,104

5. Investment in Fixed Assets

Balance, beginning of year	$343,783
Deduct: Retroactive depreciation adjustment	6,679
Restated balance, beginning of year	337,104
Add: Acquisitions	151,982
Deduct: Depreciation	4,024
Balance, end of year	$485,062

6. Commitments

a) The Corporation leases parcels of land for wildlife habitat. The future minimum lease payments for each of the next five years are:

1992	$15,262
1993	11,232
1994	7,592
1995	2,341
1996	403

b) The Corporation leases office space for an annual base rent of $28,308, payable for each year from 1991 to 1996.